

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In Re: Application for limited) DOCKET NO. 930635-SU
proceeding rate increase for) ORDER NO. PSC-95-0166-FOF-SU
wastewater service in Lee County) ISSUED: February 7, 1995
by TAMIAMI VILLAGE UTILITY, INC.)
_____)

The following Commissioners participated in the disposition of this matter:

SUSAN F. CLARK, Chairman
JULIA L. JOHNSON

ORDER AUTHORIZING PERMANENT INCREASE
AND CLOSING DOCKET

BY THE COMMISSION:

BACKGROUND

Tamiami Village Utility, Inc. (TVU or utility) is a Class B water and wastewater utility in Lee County that serves approximately 720 residential and commercial customers. On June 29, 1993, TVU filed an application for a limited proceeding to establish increased rates for wastewater service. TVU requested approval to collect a 21 percent increase relative in its wastewater gallonage charge. According to the utility, the increase was necessary in order to comply with a Circuit Court Order requiring the utility to reduce the effluent level at its percolation ponds. TVU was ordered to remove the effluent by truck, if necessary, to maintain a prescribed two foot freeboard. The Court also directed TVU to retain a professional engineer to evaluate the utility's treatment facility and to otherwise comply with the rules and regulations of the Florida Department of Environmental Protection (DEP).

Pursuant to Order No. PSC-93-1600-FOF-SU, issued November 2, 1993, we approved a \$9,418 rate increase to assist the utility in meeting the projected increase in effluent hauling costs. The adjustment increased the gallonage fee from \$1.95 to \$2.36 per thousand gallons. The utility reported that hauling and disposal of effluent would probably continue during rainy periods if problems associated with infiltration could not be corrected. As it was uncertain whether the utility would be successful in reducing the level of infiltration and inflow, we approved the increased rate for a single year, with provision for successive year-by-year reviews to determine whether that charge should be retained, discontinued, or otherwise modified.

DOCUMENT NUMBER-DATE

01365 FEB-7 95

FPSC-RECORDS/REPORTING

An application for authority to include TVU's current service area in the overall service territory of North Fort Myers Utility, Inc. (NFMU) is currently pending in Docket No. 940963-WS. If the application is approved, NFMU will commence treatment and disposal of wastewater from the TVU service area. NFMU has also asked for authority to implement its service rates for existing customers of TVU.

The utility executed an agreement (Consent Final Judgment) with the DEP on August 31, 1994, that requires TVU to control its percolation ponds until TVU's system can be transferred to NFMU. On October 13, 1994, TVU filed information which demonstrated a continuing need to haul effluent and/or perform other work to reduce its effluent hauling costs. The utility indicated that the annual expense associated with controlling effluent did not substantially differ from the rate increase approved in 1993.

As part of its initial filing in this docket, the utility estimated that effluent hauling costs would approach \$10,350 in 1993 under the assumption that it would pay \$115 per truckload to haul effluent to NFMU for disposal. Based upon that \$115 estimate, about \$20,240 was actually incurred in 1993 to haul 176 truckloads. During the first nine months of 1994, TVU reported that \$2,600 was paid to haul effluent, but \$5,500 in added labor costs were incurred so that the ponds would percolate better. When that partial year cost is annualized, the corresponding expense in 1994 would approach \$10,800. Furthermore, it appears likely that TVU will continue to incur similar expenses until its wastewater collection system is interconnected with NFMU's treatment plant. Based upon this information, we find it appropriate to make permanent the rate increase authorized by Order No. PSC-93-1600-FOF-SU.

Because we have approved a permanent implementation of the charge, this docket may be closed.

Based on the foregoing, it is, therefore,

ORDERED by the Florida Public Service Commission that the increase in Tamiami Village Inc.'s wastewater gallonage charge authorized by Order No. PSC-93-1600-FOF-SU, shall be made permanent. It is further

ORDERED that this docket shall be closed.

ORDER NO. PSC-95-0166-FOF-SU
DOCKET NO. 930635-SU
PAGE 3

By ORDER of the Florida Public Service Commission, this 7th
day of February, 1995.

BLANCA S. BAYÓ, Director
Division of Records and Reporting

by: Kay Flynn
Chief, Bureau of Records

(S E A L)

MEO

NOTICE OF FURTHER PROCEEDINGS OR JUDICIAL REVIEW

The Florida Public Service Commission is required by Section 120.59(4), Florida Statutes, to notify parties of any administrative hearing or judicial review of Commission orders that is available under Sections 120.57 or 120.68, Florida Statutes, as well as the procedures and time limits that apply. This notice should not be construed to mean all requests for an administrative hearing or judicial review will be granted or result in the relief sought.

Any party adversely affected by the Commission's final action in this matter may request: 1) reconsideration of the decision by filing a motion for reconsideration with the Director, Division of Records and Reporting within fifteen (15) days of the issuance of this order in the form prescribed by Rule 25-22.060, Florida Administrative Code; or 2) judicial review by the Florida Supreme Court in the case of an electric, gas or telephone utility or the First District Court of Appeal in the case of a water and/or wastewater utility by filing a notice of appeal with the Director, Division of Records and Reporting and filing a copy of the notice of appeal and the filing fee with the appropriate court. This filing must be completed within thirty (30) days after the issuance of this order, pursuant to Rule 9.110, Florida Rules of Appellate Procedure. The notice of appeal must be in the form specified in Rule 9.900 (a), Florida Rules of Appellate Procedure.